

MARCH 15, 2011 TESTIMONY SUPPORTING SB 1, AN ACT CONCERNING CONNECTICUT'S ENERGY FUTURE.

My name is Michael Trahan and I am executive director of Solar Connecticut, Inc., a member group made up of the solar installation companies that have completed most of the 1,600 separate system installs in the past several years.

Solar Connecticut and its members are thankful to the Energy committee leadership and it members over the past several years for passing good and fair solar-related legislation the past two years. SB1 falls into the category as good and fair with a couple exceptions.

I want to take you back to 2009 when this committee ordered a long-term solar strategy report that would act as a map to creating solar programming that would serve Connecticut's ratepayers. The so-called KEMA Report, guided by input from the DPUC, the state's electric power companies, and the solar industry, was released in the spring of 2010 and serves as a baseline for creating legislative proposals including the solar sections of last year's solar bill.

Among the Report's findings and recommendations are:

- Connecticut should implement specific and aggressive goals for solar installations that grow over time. Connecticut should add a solar component (a "carveout") to its existing RPS, requiring that certain MW goals are met through the installation of in-state solar energy systems. We recommend a goal of 300 MW of solar by 2025, which would satisfy about 3.5% of the projected energy demands of Connecticut's major distribution utilities by that time.
- The results of a BC (benefit/cost) analysis (using the REMI Model) suggests that each of the modeled programs has a BC ratio greater than 1. In other words, the lifetime benefits of the programs are greater than the lifetime costs. So when we hear from the opponents of the bill that it is unaffordable, and when is "enough enough?" when it comes to ratepayer support for clean energy, they are not taking into consideration the true value of incentives.
- Development of up to 300 MW of solar through the recommended (KEMA) suite of programs would have minimal ratepayer impact.
- The Report, repeatedly, stresses the importance of long-term solar strategy. There's not a state
 in America that is considered a solar success where long-term means five years. Therefore we
 ask that the investment in solar programs be returned to 10 years as was written in the 2010
 version of the bill that passed comfortably in both chambers.

There have been changes in the market place since the 2010 version of the energy bill passed the House and Senate, and the 2010 bill is not especially dissimilar to the KEMA Report suggested course of action, the KEMA Report does state that, <u>The impact of the SREC-eligible and estimated net costs of the utility-developed solar programs would be less than \$10 per household annually.</u>

<u>Solar Workforce</u> – SB1 suggests a study group to determine barriers to creating a solar workforce. At this point, the biggest barrier to building a solar workforce is the lack of a long-term solar strategy in Connecticut. Every solar installation company formed in Connecticut over the past five years, that employs more than five workers, has shipped most all of their workforce out of Connecticut and into Massachusetts, Pennsylvania, New York and New Jersey where state governments have put into place longer term solar strategies.

<u>SB1 calls for a virtual net metering pilot program</u> – The KEMA Report supports virtual net metering. I'd like to think the case was made during the public hearing last week that a more extensive program be put in place than a simple pilot. There are dozens of municipalities that will argue in support of the widespread use of virtual net metering as a means for lowering local government electric bills. When you lower government electric bills, you reduce the cost of government paid for by taxpayers. Virtual net metering reduces electric costs.

<u>Section 8 of the bill</u> – Connecticut's – and America's – energy goals are to get away from importing energy from other countries. It makes little sense to send our energy dollars out of the country, and create jobs in those countries – when those dollars, Connecticut ratepayer dollars, could be spent in Connecticut, on Connecticut-made power, employing workers in Connecticut and contributing to our economy. American's want to support the U.S. renewables energy. We strongly oppose Section 8.

Every dollar spent on energy, even renewable energy, outside our country delays the day that the cost of non-polluting Connecticut-made clean energy reaches parity with the cost of polluting power that makes up the vast majority of energy that is purchased and fed into the grid everyone in Connecticut taps into.

We support for a concept raised in 2010's HB 5464 — "AN ACT CONCERNING MUNICIPAL ENCOURAGEMENT OF RENEWABLE ENERGY PROJECTS." Last year the Connecticut Conference of Municipalities urged support for this bill which CCM stated would give municipalities the option, by ordinance, to exempt alternative energy project from payment of building permit fees imposed by the municipalities. 5464 made it as far as the House calendar last year but didn't get a vote. [END]